

VZCZCXRO7186  
PP RUEHBC RUEHDE RUEHKUK RUEHTRO  
DE RUEHDIR #0472/01 3071242  
ZNY CCCCC ZZH  
P 031242Z NOV 09  
FM RPO DUBAI  
TO RUEHC/SECSTATE WASHDC PRIORITY 0600  
INFO RUCNIRA/IRAN COLLECTIVE  
RUEAIIA/CIA WASHDC  
RHEHAAA/NSC WASHINGTON DC  
RHMFISS/JOINT STAFF WASHINGTON DC  
RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL  
RUEHAD/AMEMBASSY ABU DHABI 0456  
RUEHDIR/RPO DUBAI 0601

C O N F I D E N T I A L SECTION 01 OF 03 RPO DUBAI 000472

SIPDIS

E.O. 12958: DECL: 11/3/2019

TAGS: [IR](#) [PGOV](#) [PREL](#) [PARM](#)

SUBJECT: IRAN'S DOMESTIC POLITICS PREVENTING IAEA ACCORD

REF: A) DUBAI RPO 466, B) DUBAI RPO 462, C) DUBAI RPO 459, D) DUBAI RPO 456

DUBAI 00000472 001.2 OF 003

CLASSIFIED BY: Alan Eyre, Director, IRPO, State.

REASON: 1.4 (b), (d)

11. (C) SUMMARY. After initial vague expressions of Iranian support for the outcome of the October 19-21 Vienna nuclear fuel negotiations, a rising tide of domestic opposition to the IAEA deal from across the Iranian political spectrum has led official Iran to distance itself from the draft agreement. As such, after continued stumblings in its public comments concerning the IAEA proposal to provide fuel to the Tehran Research Reactor, on November 2 both IRIG IAEA Ambassador Soltanieh and FM Mottaki announced that Iran wanted to discuss the proposal further. As one prominent Iranian political analyst noted, the Ahmadinejad administration has so politicized and ideologized the nuclear issue that elite backing of any deal that involves any Iranian compromise is problematic. Therefore, much of the current Iranian criticism of the IAEA proposal can be seen simply as a function of the desire of Ahmadinejad's political opponents to cause him trouble. Additionally, the non-transparent manner in which Iran has conducted its nuclear diplomacy has raised concerns among Iranian political elites about 'trusting the West' to deliver on its fuel commitments. Finally, Israeli and Western public expressions of support for this proposal have further strengthened Iranian policymakers' perception that the IEAE proposal is primarily a 'trick' to deprive Iran of its own enriched uranium. As such, given the very real and very broad domestic political opposition to the IAEA deal as currently outlined, it is unlikely Iran will sign on to the deal without substantive, or at least face-saving, changes. END SUMMARY.

12. (U) According to official Iranian press, on November 2 both IAEA Representative Soltanieh and FM Mottaki stressed the need for another round of IAEA 'technical meetings' to address Iran's concerns over the IAEA proposal to provide fuel for the Tehran Research Reactor (TRR):

SOLTANIEH: Referring to his June 2 letter to ElBaradei requesting TRR fuel, IRIG IAEA Representative Ali Asghar Soltanieh said Iran was ready to participate at the earliest possible opportunity in a technical and specialized meeting in Vienna under IAEA auspices for considering Iran's technical concerns about the draft IAEA proposal, especially concerning fuel delivery guarantees. Emphasizing that based on Articles One and Two of its charter the IAEA must act on Iran's humanitarian and peaceful request, Soltanieh said Iran was ready, under IAEA supervision to purchase fuel from any supplier, as it did 20 years ago when it bought it from

Argentina. The key point is a guaranteed secure provision of fuel, given Iran's lack of trust due to previously paying for fuel it did not receive. Soltanieh said now is an important time and an historical opportunity for the IAEA to act according to its charter and for fuel producers to show their good intentions and political will for technical cooperation for this humanitarian project under IAEA supervision.

MOTTAKI: FM Mottaki told press that Iran has three options for TRR fuel: 1) buying 20 percent enriched fuel; 2) enriching Iran's own fuel to the 20 percent level for TRR use; 3) providing some of Iran's own low enriched uranium to other countries for enrichment to the 20 percent level. Iran has technical and economic concerns about the IAEA proposal, which it has mentioned to the IAEA and which it will address in a new round of technical discussions.

IAEA PROPOSAL: DEADER THAN VAUDEVILLE?

13. (C) In Iran's highly factionalized and polarized political atmosphere, it seems one topic has united politicians from all points of the political spectrum: the current IAEA proposal for providing the Tehran Research Reactor (TRR) with fuel is unacceptable (reftel), due largely to its stipulation that Iran send abroad 1200 kilograms of its own enriched uranium. Some of the more recent comments include the following:

MOUSAVI ('Green Path' Opposition Leader): On October 28, defeated Presidential candidate Mir Hossein Mousavi characterized Iran's nuclear discussion as 'surprising,' saying that the arrangements arrived at would squander the achievements

DUBAI 00000472 002.2 OF 003

of 'thousands of Iran's scientists' if implemented and if not implemented would lay the groundwork for more sanctions against Iran. He also condemned the Ahmadinejad government for accusing 'dedicated children of the Revolution' of being disloyal and pro-West while it itself is now bowing down in front of America' in these nuclear negotiations.

- JUDICIARY HEAD LARIJANI (Conservative): On November 1 Judiciary Head Hojjatoleslam Sadegh Larijani told press that Iran should 'think hard' about sending its uranium abroad, since doing so doesn't seem to be in Iran's benefit and since advanced countries are obligated under the NPT to provide fuel to Iran.

- DEPUTY SPEAKER ABU TORABI (Pragmatic Conservative): On November 2 Majlis First Deputy Speaker Hojjatoleslam Mohammad Hassan Abu Torabi Fard said that nuclear fuel-producing countries were obligated to provide fuel to Iran, that preconditions for providing this fuel were "unacceptable," and that Iran "must not give any concessions" to any country in a position to provide fuel to TRR.

COMBATANT CLERICS (Traditional Clerical Conservative): In an October 27 statement, the influential conservative 'Combatant Cleric Association' (aka 'Ruhaniyat') warned Iranian officials to be careful of "current tricks for emptying our [fuel] reserves."

MAJLIS MINORITY FACTION (Reformist): On November 2 the spokesman

for the Majlis minority (i.e. Reformist) 'Imam's Line' faction told press that Iran should not surrender to the wishes of the West and the P5+1 by allowing fuel enrichment for the TRR to happen outside of Iran in third countries like Russia and France, and that it would be preferable for Iran to buy the TRR fuel.

¶4. (U) After initial vague expressions of Iranian support at the close of the October 19-21 Vienna negotiations, this rising tide of domestic opposition to the IAEA deal from all parts of the Iranian political spectrum has caused official Iran to distance itself from the draft agreement. Prior to the November 2 statements by Mottaki and Soltanieh, on October 30, Iran's official news service had quoted an 'informed official as saying that Tehran in fact had not sent and would not send any "answer" to the IAEA concerning the proposal. However, Tehran would welcome the continuation of the Vienna negotiations were they to take into consideration "Iran's technical and economic interests." This 'informed official' made any expression of Iranian opinion on the IAEA proposal conditional to the negotiations continuing. This article also cited Iran's 'basic red lines' as an equivalent and simultaneous exchange of its own low enriched uranium for the 20 percent enriched uranium.

#### ZIBAKALAM: POLITICIZED PORTFOLIO DOOMS CONSENSUS

¶5. (U) According to one prominent Iranian political analyst, the series of contradictory statements from Tehran reflect Iranian officials' confusion as to how to deal with the West on the nuclear issues. In an October 31 article titled, 'Confusion over the Nuclear Negotiations Due to the Administration's Ideological Outlook,' prominent political scientist Sadegh Zibakalam (whose views are often associated with those of former President Rafsanjani) said that the IAEA deal on the table is in Iran's interest, since it allows Iran to achieve its main goal of continued enrichment on Iranian soil. Concerns about 'guarantees' are bootless, since Iran's deal would be with the IAEA, not Western countries. In the unlikely event that the IAEA didn't fulfill its commitments, the IAEA could get away with this 'theft' of Iranian uranium only once and afterwards Iran could contend in international fora that it has gone the distance in confidence-building measures.

¶6. (U) However, Zibakalam says that the Ahmadinejad administration has so politicized the nuclear issue that

DUBAI 00000472 003.2 OF 003

domestic backing of any deal is unlikely - "when it was decided there would be compromises between Iran and the IAEA and P5+1 countries, Ahmadinejad and his extremist 'Principlists' realized that they had become prisoners of the propaganda that they have unleashed against Reformists over the last four years." Zibakalam contends that before Ahmadinejad, Iran pursued an astute non-ideological 'muddling through' nuclear policy which sought to keep the nuclear file at the IAEA and the international community, UNSC and the EU not aligned together against Iran. However, Ahmadinejad changed this policy, and instead of forming a nuclear policy that advanced Iran's national interests, he politicized the nuclear issue, using it as a weapon against his domestic enemies both among the reformists and also those aligned with former President Rafsanjani. This policy change even led to Ahmadinejad's crowd implying charges of treason to those preceding him in their stewardship of the nuclear file, to include pro-Rafsanjani figures such as former nuclear negotiator Hossein Mousavian and former SNSC head Hassan Ruhani. However now that that Ahmadinejad has decided for a variety of reasons to reduce tensions with the West and to seek some type of nuclear

accommodation, he is a prisoner of his own extremist rhetoric, which he finds played back at him by his political opponents.

17. (C) COMMENT: There is a Persian term called "a goldsmith's war" ('jang-e zargari') , which connotes a false argument between two parties in order to gull a third. Some have speculated that the widespread Iranian political opposition to the IAEA proposal is such a ruse, orchestrated by Iran in order to strengthen its bargaining position. This is unlikely, and it is far more probable that due to the intensely polarized political atmosphere prevalent in Tehran engendered by President Ahmadinejad, in conjunction with his having politicized and ideologized the nuclear issue itself, any deal engineered by Ahmadinejad's negotiating team that entails any perceived Iranian compromise would be subject to partisan attack. Therefore, much of the current criticism of the IAEA proposal can be seen as a function of the desire of Ahmadinejad's political opponents to cause him trouble. Additionally, the non-transparent manner in which Iran has conducted its nuclear diplomacy has raised concerns about 'trusting the West' to deliver on its fuel commitments. Finally, Israeli and Western public expressions of support for this proposal have further strengthened Iranian policymakers' perception that the IAEA proposal is primarily a 'trick' to deprive Iran of its own enriched uranium. A case can be made, based on press analysis and anecdotal information gleaned by IRPO, that while currently adverse to a general US-Iran rapprochement, Supreme Leader Khamenei is open to the idea of reaching an agreement with the US on the nuclear issue. Certainly the prevalent Iranian domestic political consensus is that President Ahmadinejad seeks such a nuclear deal. But although it is possible that the Supreme Leader could condone the agreement as it stands and end the debate, given his own weakened political status that is unlikely. Therefore, given the very real and very broad domestic political opposition to the IAEA deal as currently outlined, it is unlikely that Iran will sign on to it without substantive, or at least face-saving, changes. END COMMENT.  
EYRE